

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**  
**DOCKET NO.: 2007-0523-AIR-E TCEQ ID: RN100216712 CASE NO.: 33125**  
**RESPONDENT NAME: Plains Pipeline, L.P.**

Page 1 of 2

|  |  |   |
|--|--|---|
| <b>ORDER TYPE:</b>   |  |   |
| <input checked="" type="checkbox"/> <b>1660 AGREED ORDER</b>   | <input type="checkbox"/> <b>FINDINGS AGREED ORDER</b>              | <input type="checkbox"/> <b>FINDINGS ORDER FOLLOWING SOAH HEARING</b>       |
| <input type="checkbox"/> <b>FINDINGS DEFAULT ORDER</b>   | <input type="checkbox"/> <b>SHUTDOWN ORDER</b>                     | <input type="checkbox"/> <b>IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER</b> |
| <input type="checkbox"/> <b>AMENDED ORDER</b>  | <input type="checkbox"/> <b>EMERGENCY ORDER</b>                    |   |
| <b>CASE TYPE:</b>  |  |   |
| <input checked="" type="checkbox"/> <b>AIR</b>   | <input type="checkbox"/> <b>MULTI-MEDIA (check all that apply)</b> | <input type="checkbox"/> <b>INDUSTRIAL AND HAZARDOUS WASTE</b>              |
| <input type="checkbox"/> <b>PUBLIC WATER SUPPLY</b>  | <input type="checkbox"/> <b>PETROLEUM STORAGE TANKS</b>            | <input type="checkbox"/> <b>OCCUPATIONAL CERTIFICATION</b>                  |
| <input type="checkbox"/> <b>WATER QUALITY</b>  | <input type="checkbox"/> <b>SEWAGE SLUDGE</b>                      | <input type="checkbox"/> <b>UNDERGROUND INJECTION CONTROL</b>               |
| <input type="checkbox"/> <b>MUNICIPAL SOLID WASTE</b>  | <input type="checkbox"/> <b>RADIOACTIVE WASTE</b>                  | <input type="checkbox"/> <b>DRY CLEANER REGISTRATION</b>                    |
| <p><b>SITE WHERE VIOLATION(S) OCCURRED:</b> BP Quitman Pipeline Station, Farm to Market Road 2225, two miles north of Highway 154, Wood County</p> <p><b>TYPE OF OPERATION:</b> Natural gas compression plant</p> <p><b>SMALL BUSINESS:</b>    <input type="checkbox"/> Yes    <input checked="" type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on July 16, 2007. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b><br/> <b>TCEQ Attorney/SEP Coordinator:</b> None<br/> <b>TCEQ Enforcement Coordinator:</b> Ms. Jessica Rhodes, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-2879; Mr. David Van Soest, Enforcement Division, MC 219, (512) 239-0468<br/> <b>Respondent:</b> Mr. Ky D. Nichols, Director of Environmental &amp; Regulatory Compliance, Plains Pipeline, L.P., Post Office Box 4648, Houston, Texas 77210; Mr. Troy E. Valenzuela, Vice President, Plains Pipeline, L.P., Post Office Box 4648, Houston, Texas 77210<br/> <b>Respondent's Attorney:</b> Not represented by counsel on this enforcement matter</p> |  |   |

## VIOLATION SUMMARY CHART:

| VIOLATION INFORMATION  | PENALTY CONSIDERATIONS   | CORRECTIVE ACTIONS TAKEN/REQUIRED  |
|--|--|--|
| <b>Type of Investigation:</b><br><input type="checkbox"/> Complaint<br><input type="checkbox"/> Routine<br><input type="checkbox"/> Enforcement Follow-up<br><input checked="" type="checkbox"/> Records Review<br><br><b>Date(s) of Complaints Relating to this Case:</b> None<br><br><b>Date of Investigation Relating to this Case:</b> February 13, 2007<br><br><b>Date of NOE Relating to this Case:</b> February 28, 2007 (NOE)<br><br><b>Background Facts:</b> This was a routine records review. One violation was documented.<br><br><b>AIR</b><br><br>Failure to submit compliance with the terms and conditions of Federal Operating Permit No. O-02669 within 30 days from the end of the certification period. Specifically, the annual compliance certification for the period April 11, 2005 through April 10, 2006 was due by May 10, 2006, but was not received until June 23, 2006 [30 TEX. ADMIN. CODE § 122.146(2), Federal Operating Permit No. O-02669, Special Terms and Conditions No. 5, and TEX. HEALTH & SAFETY CODE § 382.085(b)]. | <b>Total Assessed:</b> \$2,000<br><br><b>Total Deferred:</b> \$400<br><input checked="" type="checkbox"/> Expedited Settlement<br><input type="checkbox"/> Financial Inability to Pay<br><br><b>SEP Conditional Offset:</b> \$0<br><br><b>Total Paid to General Revenue:</b> \$1,600<br><br><b>Site Compliance History Classification</b><br><input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor<br><br><b>Person Compliance History Classification</b><br><input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor<br><br><b>Major Source:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br><br><b>Applicable Penalty Policy:</b> September 2002 | <b>Corrective Actions Taken:</b><br><br>The Executive Director recognizes that the Respondent submitted an Annual Permit Compliance Certification Form for the period April 11, 2005 through April 10, 2006 to the Tyler Regional Office on June 23, 2006. |



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision March 19, 2007

|                             |                 |            |                  |            |                |             |
|-----------------------------|-----------------|------------|------------------|------------|----------------|-------------|
| <b>TCEQ</b><br><b>DATES</b> | <b>Assigned</b> | 5-Mar-2007 | <b>Screening</b> | 3-Apr-2007 | <b>EPA Due</b> | 25-Nov-2007 |
|                             | <b>PCW</b>      | 4-Apr-2007 |                  |            |                |             |

|  |                       |
|--|-----------------------|
| <b>RESPONDENT/FACILITY INFORMATION</b> |                       |
| <b>Respondent</b>                      | Plains Pipeline, L.P. |
| <b>Reg. Ent. Ref. No.</b>              | RN100216712           |
| <b>Facility/Site Region</b>            | 5-Tyler               |
| <b>Major/Minor Source</b>              | Major                 |

|  |                 |                          |                    |
|--|-----------------|--------------------------|--------------------|
| <b>CASE INFORMATION</b>                |                 |                          |                    |
| <b>Enf./Case ID No.</b>                | 33125           | <b>No. of Violations</b> | 1                  |
| <b>Docket No.</b>                      | 2007-0523-AIR-E | <b>Order Type</b>        | 1660               |
| <b>Media Program(s)</b>                | Air             | <b>Enf. Coordinator</b>  | Jessica Rhodes     |
| <b>Multi-Media</b>                     |                 | <b>EC's Team</b>         | Enforcement Team 5 |
| <b>Admin. Penalty \$ Limit Minimum</b> | \$0             | <b>Maximum</b>           | \$10,000           |

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1** **\$2,500**

### ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

**Compliance History** **5% Enhancement** **Subtotals 2, 3, & 7** **\$125**

**Notes** Penalty enhancement due to one NOV issued for same or similar violations.

**Culpability** **No** **0% Enhancement** **Subtotal 4** **\$0**

**Notes** The Respondent does not meet the culpability criteria.

**Good Faith Effort to Comply** **25% Reduction** **Subtotal 5** **\$625**

|               | Before NOV | NOV to EDPRP/Settlement Offer |
|---------------|------------|-------------------------------|
| Extraordinary |            |                               |
| Ordinary      | X          |                               |
| N/A           |            | (mark with x)                 |

**Notes** The Respondent achieved compliance on June 23, 2006.

**Total EB Amounts** **\$1** **0% Enhancement\*** **Subtotal 6** **\$0**  
**Approx. Cost of Compliance** **\$200** **\*Capped at the Total EB \$ Amount**

**SUM OF SUBTOTALS 1-7** **Final Subtotal** **\$2,000**

**OTHER FACTORS AS JUSTICE MAY REQUIRE** **Adjustment** **\$0**

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

**Notes**

**Final Penalty Amount** **\$2,000**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty** **\$2,000**

**DEFERRAL** **20% Reduction** **Adjustment** **-\$400**

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

**Notes** Deferral offered for expedited settlement.

**PAYABLE PENALTY** **\$1,600**

Screening Date 3-Apr-2007

Docket No. 2007-0523-AIR-E

PCW

Respondent Plains Pipeline, L.P.

Policy Revision 2 (September 2002)

Case ID No. 33125

PCW Revision March 19, 2007

Reg. Ent. Reference No. RN100216712

Media [Statute] Air

Enf. Coordinator Jessica Rhodes

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

| Component                     | Number of...   | Enter Number Here | Adjust. |
|-------------------------------|--|-------------------|---------|
| NOVs                          | Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)  | 1                 | 5%      |
|                               | Other written NOVs   | 0                 | 0%      |
| Orders                        | Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)   | 0                 | 0%      |
|                               | Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission | 0                 | 0%      |
| Judgments and Consent Decrees | Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgments or consent decrees meeting criteria)  | 0                 | 0%      |
|                               | Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government  | 0                 | 0%      |
| Convictions                   | Any criminal convictions of this state or the federal government (number of counts)  | 0                 | 0%      |
| Emissions                     | Chronic excessive emissions events (number of events)  | 0                 | 0%      |
| Audits                        | Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)              | 0                 | 0%      |
|                               | Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)   | 0                 | 0%      |
| Please Enter Yes or No        |  |                   |         |
| Other                         | Environmental management systems in place for one year or more   | No                | 0%      |
|                               | Voluntary on-site compliance assessments conducted by the executive director under a special assistance program  | No                | 0%      |
|                               | Participation in a voluntary pollution reduction program   | No                | 0%      |
|                               | Early compliance with, or offer of a product that meets future state or federal government environmental requirements  | No                | 0%      |

Adjustment Percentage (Subtotal 2) 5%

## &gt;&gt; Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

## &gt;&gt; Compliance History Summary

Compliance  
History  
Notes

Penalty enhancement due to one NOV issued for same or similar violations.

Total Adjustment Percentage (Subtotals 2, 3, &amp; 7) 5%

Screening Date 3-Apr-2007

Docket No. 2007-0523-AIR-E

PCW

Respondent Plains Pipeline, L.P.

Policy Revision 2 (September 2002)

Case ID No. 33125

PCW Revision March 19, 2007

Reg. Ent. Reference No. RN100216712

Media [Statute] Air

Enf. Coordinator Jessica Rhodes

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 122.146(2), Federal Operating Permit No. O-02669, Special Terms and Conditions No. 5, and Tex. Health &amp; Safety Code § 382.085(b)

Violation Description

Failed to submit compliance with the terms and conditions of Federal Operating Permit No. O-02669 within 30 days from the end of the certification period. Specifically, the annual compliance certification for the period April 11, 2005 through April 10, 2006 was due by May 10, 2006, but was not received until June 23, 2006.

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

| OR | Harm      |       |          |       | Percent |
|----|-----------|-------|----------|-------|---------|
|    | Release   | Major | Moderate | Minor |         |
|    | Actual    |       |          |       |         |
|    | Potential |       |          |       | 0%      |

## &gt;&gt; Programmatic Matrix

| Matrix Notes | Falsification                               | Major | Moderate | Minor | Percent |
|--------------|---|-------|----------|-------|---------|
|              |   | x     |          |       |         |
|              |   |       |          |       |         |
|              | 100% of the permit requirement was not met. |       |          |       | 25%     |

Adjustment \$7,500

\$2,500

## Violation Events

Number of Violation Events 1

44

Number of violation days

|                            |              |   |
|----------------------------|--------------|---|
| mark only one<br>with an x | daily        |   |
|                            | monthly      |   |
|                            | quarterly    |   |
|                            | semiannual   |   |
|                            | annual       |   |
|                            | single event | x |

Violation Base Penalty \$2,500

One single event is recommended.

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$1

Violation Final Penalty Total \$2,000

This violation Final Assessed Penalty (adjusted for limits) \$2,000

# Economic Benefit Worksheet

Respondent Plains Pipeline, L.P.  
Case ID No. 33125  
Reg. Ent. Reference No. RN100216712  
Media Air  
Violation No. 1

| Percent Interest | Years of Depreciation |
|------------------|-----------------------|
| 5.0              | 15                    |

| Item Description | Item Cost | Date Required | Final Date | Yrs | Interest Saved | Overtime Costs | EB Amount |
|------------------|-----------|---------------|------------|-----|----------------|----------------|-----------|
| No commas or \$  |           |               |            |     |                |                |           |

## Delayed Costs

|                          |       |             |             |     |     |     |     |
|--------------------------|-------|-------------|-------------|-----|-----|-----|-----|
| Equipment                |       |             |             | 0.0 | \$0 | \$0 | \$0 |
| Buildings                |       |             |             | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed)        |       |             |             | 0.0 | \$0 | \$0 | \$0 |
| Engineering/construction |       |             |             | 0.0 | \$0 | \$0 | \$0 |
| Land                     |       |             |             | 0.0 | \$0 | n/a | \$0 |
| Record Keeping System    | \$200 | 10-May-2006 | 23-Jun-2006 | 0.1 | \$1 | n/a | \$1 |
| Training/Sampling        |       |             |             | 0.0 | \$0 | n/a | \$0 |
| Remediation/Disposal     |       |             |             | 0.0 | \$0 | n/a | \$0 |
| Permit Costs             |       |             |             | 0.0 | \$0 | n/a | \$0 |
| Other (as needed)        |       |             |             | 0.0 | \$0 | n/a | \$0 |

Notes for DELAYED costs

The delayed costs include the cost to prepare and submit a compliance certification report. The date required is the date that the annual compliance certification was due. The final date is the date the Respondent achieved compliance.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

|                               |  |  |  |     |     |     |     |
|-------------------------------|--|--|--|-----|-----|-----|-----|
| Disposal                      |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Personnel                     |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Inspection/Reporting/Sampling |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Supplies/equipment            |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Financial Assurance [2]       |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| ONE-TIME avoided costs [3]    |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed)             |  |  |  | 0.0 | \$0 | \$0 | \$0 |

Notes for AVOIDED costs

Approx. Cost of Compliance

\$200

TOTAL

\$1

# Compliance History

Customer/Respondent/Owner-Operator: CN601440852 Plains Pipeline, L.P. Classification: AVERAGE Rating: 5.64  
Regulated Entity: RN100216712 BP QUITMAN PIPELINE STATION Classification: AVERAGE Site Rating: 0.43

ID Number(s): AIR OPERATING PERMITS ACCOUNT NUMBER WO0108F  
AIR OPERATING PERMITS PERMIT 2669  
AIR NEW SOURCE PERMITS ACCOUNT NUMBER WO0108F  
AIR NEW SOURCE PERMITS PERMIT 56267  
AIR NEW SOURCE PERMITS AFS NUM 4849900019

Location: FM 2225, two miles north of Hwy 154, Rating Date: September 01 06  
near Quitman, TX Repeat Violator: NO

TCEQ Region: REGION 05 - TYLER

Date Compliance History Prepared: April 03, 2007

Agency Decision Requiring Compliance Enforcement

Compliance Period: April 03, 2002 to April 03, 2007

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Jessica Rhodes Phone: 512-239-2879

## Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership of the site during the compliance period? Yes
3. If Yes, who is the current owner? Plains Pipeline, L.P.
4. If Yes, who was/were the prior owner(s)? BP Pipelines (North America) Inc.
5. When did the change(s) in ownership occur? 2/1/2003

## Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

N/A

- B. Any criminal convictions of the state of Texas and the federal government.

N/A

- C. Chronic excessive emissions events.

N/A

- D. The approval dates of investigations. (CCEDS Inv. Track. No.)

- 1 08/29/2002 (8157)
- 2 08/28/2003 (150929)
- 3 05/20/2004 (269909)
- 4 08/23/2004 (291837)
- 5 10/10/2005 (433395)
- 6 02/16/2006 (455092)
- 7 02/28/2007 (516736)

- E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date: 02/14/2006 (455092)

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.146(2)

Description: Failure to submit a compliance certification within 30 days from the end of the certification period. Plain Pipeline, L.P.'s Quitman Station's General Operating Permit No. O-01695 was voided on April 11, 2005. The final compliance certification was due on May 10, 2005 but was not postmarked until June 24, 2005.

- F. Environmental audits.

N/A

- G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A



# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
PLAINS PIPELINE, L.P.  
RN100216712**

§ **BEFORE THE**  
§  
§ **TEXAS COMMISSION ON**  
§  
§ **ENVIRONMENTAL QUALITY**

## **AGREED ORDER DOCKET NO. 2007-0523-AIR-E**

### **I. JURISDICTION AND STIPULATIONS**

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Plains Pipeline, L.P. ("Plains Pipeline") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and Plains Pipeline appear before the Commission and together stipulate that:

1. Plains Pipeline owns and operates a natural gas compression plant on Farm-to-Market Road 2225, two miles north of Highway 154, Wood County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and Plains Pipeline agree that the Commission has jurisdiction to enter this Agreed Order, and that Plains Pipeline is subject to the Commission's jurisdiction.
4. Plains Pipeline received notice of the violations alleged in Section II ("Allegations") on or about March 5, 2007.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Plains Pipeline of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Two Thousand Dollars (\$2,000) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Plains Pipeline has paid One Thousand Six Hundred Dollars (\$1,600) of the administrative penalty and Four Hundred Dollars (\$400) is deferred contingent upon Plains Pipeline's timely and satisfactory



compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If Plains Pipeline fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Plains Pipeline to pay all or part of the deferred penalty.

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and Plains Pipeline have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that Plains Pipeline submitted an Annual Permit Compliance Certification Form for the period April 11, 2005 through April 10, 2006 to the Tyler Regional Office on June 23, 2006.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that Plains Pipeline has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

## **II. ALLEGATIONS**

As owner and operator of the Plant, Plains Pipeline is alleged to have failed to submit compliance with the terms and conditions of Federal Operating Permit No. O-02669 within 30 days from the end of the certification period, in violation of 30 TEX. ADMIN. CODE § 122.146(2), Federal Operating Permit No. O-02669, Special Terms and Conditions No. 5, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on February 13, 2007. Specifically, the annual compliance certification for the period April 11, 2005 through April 10, 2006 was due by May 10, 2006, but was not received until June 23, 2006.

## **III. DENIALS**

Plains Pipeline generally denies each allegation in Section II ("Allegations").



#### IV. ORDERING PROVISIONS

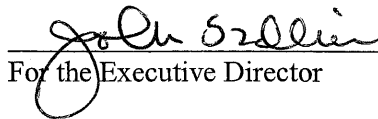
1. It is, therefore, ordered by the TCEQ that Plains Pipeline pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Plains Pipeline's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations, which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Plains Pipeline, L.P., Docket No. 2007-0523-AIR-E" to:  
  
Financial Administration Division, Revenues Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088
2. The provisions of this Agreed Order shall apply to and be binding upon Plains Pipeline. Plains Pipeline is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
3. This Agreed Order, issued by the Commission, shall not be admissible against Plains Pipeline in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
4. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to Plains Pipeline, or three days after the date on which the Commission mails notice of the Order to Plains Pipeline, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.



## SIGNATURE PAGE

### TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

  
\_\_\_\_\_  
For the Executive Director

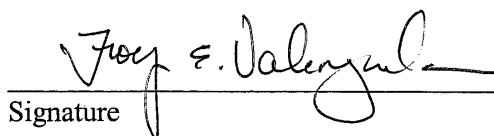
\_\_\_\_\_  
Date 8/16/2007

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date 5-7-07

TROY E. VALENZUELA  
\_\_\_\_\_  
Name (Printed or typed)  
Authorized Representative of  
Plains Pipeline, L.P.

VICE PRESIDENT - E.H.S.  
\_\_\_\_\_  
Title

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.

